

BEFORE THE ARIZONA CORPORATION COMMISSION RECEIVED

COMMISSIONERS

Arizona Corporation Commission 2015 FEB 25 P 2: 27 SUSAN BITTER SMITH - Chairm OCKETED

BOB STUMP

BOB BURNS DOUG LITTLE

FEB 2 5 2015

DOCKETED BY

AZ CORP COMMISSION RIGINAL

TOM FORESE 6

1

2

3

5

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

IN THE MATTER OF COMMISSION PIPELING SAFETY SECTION STAFF'S COMPLAINT

AGAINST DESERT GAS, LP FOR VIOLATIONS

OF COMMISSION RULES.

DOCKET NO. G-20923A-15-0030

PROCEDURAL ORDER

BY THE COMMISSION:

On February 3, 2015, the Pipeline Safety Section ("Staff") of the Arizona Corporation Commission's ("Commission's") Safety Division filed in this docket a Complaint against Desert Gas, LP ("DG"), alleging multiple violations of Commission rules associated with DG's construction and placement into service of a new methane compressor and associated piping. *Inter alia*, Staff asserted that DG is both a pipeline operator and public service corporation and that DG has violated A.A.C. R14-5-202(B) by failing to qualify welding procedures, by failing to qualify welders, by failing to perform required nondestructive testing during construction, and by failing to perform required nondestructive testing after discovering failed construction welds. The Complaint requests as relief that DG be ordered to cease operating the new methane compressor until nondestructive testing of all welds has been completed and be required to pay monetary fines. Staff requested that a hearing be scheduled on the Complaint.

On February 12, 2015, Staff filed a Notice of Filing Amended Complaint, to clarify that a reference to an Order to Show Cause in the original filing had been included in error.

Also on February 12, 2015, the Commission's Docket Control Center sent a copy of the Formal Complaint to DG by certified mail, with a cover letter instructing DG to respond within 20 days of receipt.

On February 23, 2015, a Notice of Appearance and Request for Extension of Time were filed for DG, identifying Jason D. Gellman as counsel and requesting a 60-day extension of time to answer

28

27

the Amended Complaint. DG asserts that settlement of this matter is likely and that a 60-day extension would allow Staff and DG to devote their full attention to negotiating a mutually acceptable settlement in an efficient matter. DG believes that a settlement could be reached without the need for an Answer to be filed. DG asserts that its request is made to further administrative efficiency and not for the purpose of delay. DG also states that it has communicated with Staff regarding its requested extension, and Staff has no objection thereto.

Because DG's requested extension is of reasonable length and made for good cause, and Staff has no objection to the requested extension, DG's request should be granted.

IT IS THEREFORE ORDERED that **DG** is hereby granted a 60-day extension of time to file an Answer to the Amended Complaint filed in this docket on February 12, 2015.

IT IS FURTHER ORDERED that all parties must comply with Arizona Supreme Court Rules 31, 38, and 42 and A.R.S. §40-243 with respect to practice of law and admission *pro hac vice*.

IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized Communications) applies to this proceeding and shall remain in effect until the Commission's Decision in this matter is final and non-appealable.

IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Arizona Supreme Court Rule 42). Representation before the Commission includes appearances at all hearings and procedural conferences, as well as all Open Meetings for which the matter is scheduled for discussion unless counsel has previously been granted permission to withdraw by the Administrative Law Judge or the Commission.

IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

DATED this 25th day of February, 2015.

SARAH N. HARPRING

ADMINISTRATIVE LAW JUDGE

1	Copies of the foregoing mailed this <u>35++</u> day of February, 2015 to:
2	Jason D. Gellman
3	SNELL & WILMER, LLP One Arizona Center
4	400 East Van Buren Street, Suite 1900 Phoenix, AZ 85004
5	Attorney for Desert Gas, LP
6	Raymond Latchem, President Desert Gas Services
7	8505 S. Elwood Ave., Building #123 Tulsa, OK 74132
8	Bret Bartholomey
9	Desert Gas, LP 8505 S. Elwood Ave., Building #123
10	Tulsa, OK 74132
11	Janice Alward, Chief Counsel Legal Division
12	ARIZONA CORPORATION COMMISSION 1200 West Washington Street
13	Phoenix, AZ 85007
14	Robert E. Marvin, Director Safety Division
15	ARIŽONA CORPORATION COMMISSION 2200 N. Central Ave., Suite 300 Phoenix, AZ 85004
16	7 Hoelink, 742 03004
17	By: LUNQUEVA Rebecca Unquera
18	Assistant to Sarah N. Harpring
19	
20	
21	
22	
23	
24	
25	
26	
27	
	II